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Problem

To establish principles to serve as a guide in the formulation of US policies related to inter-American affairs.

BACKGROUND

Sources and Statistics

1. The major source materials for this paper are the following documents, which have all been transmitted to US diplomatic missions in the other American republics as they have been issued:

A. Department of State Policy Statements series (those Statements regarding the American republics);

B. Inter-American Treaty of Reciprocal Assistance, signed at Rio de Janeiro, September 2, 1947 (ratified by U.S. Senate and now in effect);

C. Charter of the United Nations.

D. PPS-24, March 15, 1948, entitled "To Establish the Policy of the Department regarding the Recognition of New Governments" (approved by the Secretary);

E. PPS-26, March 22, 1948, entitled "To Establish U.S. Policy regarding Anti-Communist Measures which could be planned and carried out within the Inter-American System" (approved by the Secretary);

F. Charter of the Organization of American States, signed at the Ninth International Conference of American States, Bogotá, March 30 - May 2, 1948 (to be submitted to U.S. Senate for ratification during session of the 81st Congress);

G. The Development of Democratic Principles and Procedures in the Inter-American System (Research Project No. 85, October 1948, Division of Historical Policy Research, Office of Public Affairs);

H. Political Developments and Trends in the Other American Republics in the Twentieth Century (OIR Report No. 4780(PV), October 27, 1948, Division of Research for American Republics, Office of Intelligence Research.

2. There is a great disparity in the stage of development, resources, and power of the twenty-one American republics. Statistical data in most of those countries are scant and unreliable. Estimates prepared during May 1948 by the Division of Research for American

Republics

Republics serve at least to illustrate the great differences that exist. The following examples show the wide gap between the two extremes among the twenty Latin American countries, and the comparable figures for the United States:

	Upper and Lower Limits, 20 LA Countries	Comparable Figures for the US
Area	Brazil, 3,286,000 sq.mls. Haiti, 11,000 " "	2,977,000 sq.mls.
% arable land	Uruguay, 82% Honduras, 3%	27%
Population	Brazil, 46,726,000 Panama, 632,000	145,340,000
Density of population	Haiti, 327.1 per sq.ml. Paraguay, 8 " " "	44.2 per sq.ml.
% white population	Argentina, 97% Honduras, 2%	90%
% illiteracy	Argentina, 15% Haiti, 85%	14%
Per capita national income per annum	Argentine, $235 Bolivia, $15	$1,147

According to these estimates, the United States is first in population and per capita national income among the 21 American republics, second in area and in percent of white population, seventh in percent of arable land, and last in percent of illiteracy.

Basic Relationships

3. In the circumstances in which the American republics obtained independence from European domination, it was of interest to the people of each of them to protect themselves from any resumption of European domination. It was likewise of common interest for all these republics to protect each other from resumption of European domination, since loss of independence by any one country would provide a possible foothold for incursions against other countries or encouragement, by example, to other European imperialist nations. However, the only American republic powerful enough to presume to make any sweeping pronouncement against extension of

European

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European systems to the Hemisphere was the US, which did so in the Monroe Doctrine of December 22, 1823. The effectiveness of this policy, though probably considerable, was reduced by (1) the doubtful power of the US to carry out the policy and (2) the fear and distrust that developed in the other American republics that the US might have imperialist designs of its own against them, as a corollary to its opposition to European domination. During recent decades, the US has almost completely succeeded in persuading the other American republics that it has renounced, first, additional territorial ambitions and, second, domination or direct interference i their domestic affairs. This, in combination with the great increase in US power, has greatly strengthened the conviction in the other American republics that cooperation with the US is the most effective insurance for their national independence. Moreover, the great relative success of the US political and economic system in providing high living standards and civil liberties, combined with increasing knowledge of this through accelerated communications, has been an important factor in maintaining support in the other American republics for democratic ideals and the private enterprise system. The US example of government assuming greatly increased responsibility for economic and social betterment has, moreover, had widespread imitation on a small scale in the other American republics.

Many of these principles and objectives have been written into general inter-American relations in the basic documents of the regional system. This has increased the confidence of the Latin American States in the continuity of our policies of restraint and moderation and reciprocal cooperation.

There is somewhat widely held view, however, that there has been over-emphasis on the political and security aspects of inter-American relations and that the economic needs of the area have been neglected. It is contended that the present stage in the development of the regional system should therefore concentrate on economic development. A solution to the problem which would be preferred by the other American republics would take the form of direct US governmental assistance and market preferences, rather than of prior action by themselves to create conditions which would attract private capital.

As a generality the other American republics view the United Nations as a projection on a world basis of the principles and purposes of the inter-American system, although profoundly and adversely modified by the preferential status given the Great Powers. They have found, nevertheless, that as a group they wield on basic issues an influence on the decisions of the United Nations out of proportion to their standing in the world. Although generally supporting the US on important issues, in particular those affecting the East-West division, they have not hesitated to oppose us and in some instances to bargain for the

support

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support of other regional groups. In addition, some of the governments have seen in the United Nations a means by which to bring pressure on the US for the adoption of increasingly favorable policies toward the economic requirements of the area or as a means by which to supplement the assistance which they may expect from the US through bilateral and inter-American means. Both of these considerations are believed to be at the root of the creation of the United Nations Economic Commission for Latin America.

Although the United Nations has presented the Latin American States with an opportunity to play a constructive role in world affairs, they have not, with some notable exceptions, taken advantage of this opportunity. They have overly concentrated on obtaining the maximum distribution among themselves of membership in the principal organs of the United Nations and of prestige bearing positions in the organs.

Political trends in Latin American Countries

4. Following are some of the tentative conclusions set forth in the General Statement of the report on "Political Developments and Trends in the Other American Republics in the Twentieth Century":

> From 1900 until at least the end of World War II the other American republics in general showed a trend toward greater political stability and closer observance of constitutional provisions. This trend has not been constant or universal. In some countries order and stability have been maintained but at a considerable price in terms of political and economic freedom. Since the end of World War II this general trend toward stability has tended to reverse itself, due largely to social and political ferment and to the demand of peoples of Latin America that governments be more concerned with their social and economic welfare.
>
> A slight gain has been made in the observance of civil rights since the beginning of the twentieth century. Constitutional guarantees have been strengthened and professions of belief in civil rights have become more common, suggesting that the small actual progress may be the beginning of a much stronger trend toward greater observance of these rights. However, in none of the Latin American countries is the institution of civil rights yet established so firmly as in

the US

the US or in the other English speaking countries; although in a few countries these rights are being currently observed to the same extent.

In nearly all the Latin American countries effective popular participation in governments has increased. Progress has ranged from slight to substantial. In general, political parties are better organized and real issues play a more important role than formerly in most of the Latin American countries. Leftist parties in most instances have been closely associated with organized labor. Although in a few cases the Communist parties have achieved a strategic political position, they have nowhere been dominant. In general the leftist parties have carried the banner of nationalism and have tended to be anti-US, but, except for the Communist parties, they have rarely been pro-Soviet.

Probably the most striking political development in the other American republics during the past half century is the wide acceptance of the idea that government has a direct responsibility for the welfare of the people. This has resulted in a phenomenal growth of social and economic legislation designed to protect labor, distribute land more widely, improve sanitation and health facilities, and increase opportunities for education. Almost every country has done something in this direction and a fairly broad program of reform has been enacted in approximately half of them. Implementation has lagged far behind enactment, but important gains have been made in many countries.

Most Latin American countries have not been able to establish stable and democratic political systems such as their constitutions, patterned upon that of the US envisaged. Several factors have been responsible for this failure. Independence did not result in a clean break with the authoritarian political tradition of the colonial regime. The church, the military, and the landed gentry successfully defended their economic and political prerogatives for many decades after independence and have continued to exert a restraining influence upon the process of democratization of political life. Economic development was so unbalanced as to prevent the emergence of an economically strong and politically conscious middle class. Democratic traditions and experience have been lacking and the process of solving the pressing problems of economic welfare and security has been slow and laborious. These problems have been complicated in some instances by the efforts to assimilate millions of Indians who

[redacted] are heirs

are heirs of a different type of civilization, as well as by inhospitable climates and overworked soils. Disappointed with the achievements of nominally democratic governments the masses have sometimes been willing to trade their newly gained political power for such immediate economic advantages as the political leaders of the day were willing to promise.

Despite their slow and tortuous advance toward political democracy in internal politics, the other American republics have in general willingly cooperated in the establishment of the inter-American system. Most of them have put their weight on the side of democracy in world affairs. Inter-American documents are filled with statements reflecting the growing democratic sentiment among the Latin American peoples and a desire for international cooperation and serve, despite the shortcomings of the actual political systems of those countries, to indicate the probable direction of their future political development. Such a development will be conditional upon the ability of the Latin American countries to increase their national incomes, upon the continued growth of democratic political mores, and upon the existence of an environment of international peace and cooperation.

Organization of the American States

5. The report on the "Development of Democratic Principles and Procedures in the Inter-American System" (Annex 1) sets forth the principles which have been written into inter-American documents as a basis on which the American republics seek to work out their regional relations. The following are some of the conclusions drawn in this report:

It is clear that the Americas have abjured international anarchy among themselves and accepted the responsibilities of living in a community governed by law. This has been done, not by establishing a super-state but, by sharing common ideals and extending their application in the light of experience. That which could not be perfected at one stroke was approximated and the efforts continued. Failure was never final, and partial successes accumulated. With these successes, there has come a clearer realization that democracy is not merely a body of doctrine or a form of government but also a stage in development. The "development" of democratic principles in this system is, therefore, not an evolution toward democracy from any other system, but rather the clarification, reaffirmation, and implementation of principles that from its origin were basic to the system.

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The US and the Spanish-American republics alike arose from revolutions against the imperialistic monarchies, and not only independent, but republican forms of government were cherished as the fruits of these revolutions. This possession of common revolutionary ideals is the more remarkable when the diversity of their respective political inheritances is considered. In the US a long colonial experience in representative partial self-government was itself a continuation of the antecedent English history of struggle against arbitrary monarchy. This is in sharp contrast with the background for revolution and the founding of new institutions in Latin America. The mother country, whether Spain or Portugal, could not supply what she herself lacked. Democratic self-government was not only alien to the mother governments, but incipient tendencies toward it in the colonies were deliberately suppressed and the introduction of libertarian ideas was rigidly proscribed. The US was never colonial in the Spanish sense of the term, since it was never subjected to the ecclesiastical control, oppressive economic system, and political vassalage, which Spanish colonies endured. In North America, moreover, union preceded the Declaration of Independence. In South America, provinces and even cities declared themselves free before they united in the fight against Spain. Freedom without a prior apprenticeship in self-government forced the new Latin American states to assume a "developed stage without first having had the preliminaries". The lack was partly supplied by the US, which simultaneously provided an example of successful separation from imperial control, and a model for democratic institutions.

6. The Charter of the Organization of American States provides the constitutional basis for this regional system. The Organization works through:

(a) The Inter-American Conference;
(b) the meeting of Consultation of Ministers of Foreign Affairs;
(c) the Council, which has as its organs
(1) the Inter-American Economic and Social Council;
(2) the Inter-American Council of Jurists, and
(3) the Inter-American Cultural Council;
(d) the Pan American Union;
(e) the specialized conferences; and
(f) the specialized organizations.

Among the specialized organizations are:

Pan American Sanitary Bureau (which is to function as a regional organization of the World Health Organization);

Inter-American Statistical Institute;

Inter-American

Inter-American Institute of Agricultural Sciences;

Inter-American Defense Board;

Inter-American Commission of Women;

Inter-American Institute for the Protection of Childhood.

At San Francisco the Latin American States strongly advocated the greatest possible autonomy for the inter-American system in matters relating to peace and security. Their influence played an important if not decisive role in the drafting of the Charter provisions (Article 51 and Chapter VIII) on this subject. The Rio Treaty and the Bogotá Charter are consistent with and subject to these provisions. It was moreover recognized at Bogotá, in view of the responsibilities and programs of the United Nations and related specialized agencies in economic, social and cultural matters, that every effort should be made to avoid costly and wasteful duplicating and competitive work in these fields by inter-American organizations. The Bogotá Charter provides for the establishment of cooperative relations in all these fields between the world and regional organizations and also envisages the possibility of the assumption by inter-American organizations, through integrated relationships, of regional functions of international agencies.

Hemisphere defense

7. US military aid to the other American republics is a part of the much broader problem of US military aid to all non-Communist foreign countries. This broader problem is among the urgent ones now being studied by the US Government. Basic decisions and long-term plans must await its solution, including the action of the Congress on any legislation that may be introduced. However, it seems unlikely that Latin America as an area or any individual Latin American countries will have a high priority, on a world-wide list, for any substantial amount of military arms or equipment.

While only two or three of the other American republics--Brazil, Mexico and possibly Argentina--are physically capable of giving substantial direct military assistance for common protection of the Hemisphere, several of the republics are able to provide substantial quantities of strategic materials. It is important, moreover, that the US should not be required to divert substantial military strength to the other American republics to maintain supply lines or prevent enemy attack. The existing common interests of the governments of the twenty-one American States is today sufficiently identical so that there would be little doubt about wartime cooperation of governments, and the principal danger to sources of supply of strategic materials or continuity of wartime governmental cooperation would be the possibility that a formidable percentage of the population might be sympathetic to a foreign ideology, Communism.

The US

The US has the same commitments relating to collective defense that were undertaken by all the signatories to the Inter-American Treaty of Reciprocal Assistance (Rio Treaty); but there is no commitment of any kind under the terms of this Treaty for the US to supply arms or equipment to the other signatories.

The Charter of the Organization of American States provides for an Advisory Defense Committee (Articles 44 to 47). Resolution XXXIV of the Bogotá Conference provides that the existing Inter-American Defense Board shall continue to function until it no longer is needed.

Current operating problems in military matters relating to Latin America are dealt with by a sub-committee of the State-Army-Navy-Air Force Coordinating Committee (SANACC), and by other Departmental or inter-Departmental Committees.

Hemisphere defense is important to the national security and interests of the US. Under existing world conditions it seems probable, however, that, from the US point of view, emphasis should be placed upon political and economic stability, and upon strategic materials and bases, rather than upon building up Latin American armaments and combat strength.

With the conclusion of the North Atlantic Pact the US has become the hub of two strong regional security systems under the United Nations Charter. Although there is no organic relationship between the Atlantic and the Rio Treaties, there is an inescapable interaction between them in that both may apply to the same situation, particularly in the event of another world conflict or of an armed attack on the US. The Latin American governments appear to recognize their relationship and generally to accept it and its consequences.

Economic and social factors

8. Political, economic, and social problems are so closely related that they must be considered together. The economic and financial problem in Latin America is quite distinct from that in Europe and has to be treated differently. Europe is one of the great industrial centers of the world where there existed, prior to the destruction wrought by the war, the essentials of plant, skilled labor, capital, technological and managerial ability. The immediate task, which the European Recovery Program is designed to facilitate, is to bring the European industrial center back into production. Latin America, on the other hand, is an undeveloped area in the industrial sense and is faced with the problem of building up a sound industrial production in order to strengthen the agricultural-raw material economy that has existed in the past... This necessarily will be a long-term and continuing process.

The Inter-

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The Inter-American Economic and Social Council, the Economic Commission for Latin America of the United Nations Economic and Social Council, and other international bodies are studying Latin American economic, financial, and social problems. Progress necessarily is slow; and it is unlikely that satisfactory concrete results will be obtained until much essential groundwork is done by the individual Latin American countries themselves.

The Economic Agreement of Bogotá which was signed at the Ninth International Conference of American States was subject to so many reservations, including three by the US, that the Department decided not to submit the agreement to the US Congress at the present time. Efforts are being made to reconcile some of the differences that exist regarding the present text of the agreement.

Within the US Government there are the Institute of Inter-American Affairs, and the Interdepartmental Committee on Scientific and Cultural Cooperation. The Charter of the Institute expires in August 1950, and the Department plans to request legislation to extend the Charter indefinitely. The Institute conducts cooperative programs in the Latin American countries in health and sanitation, agriculture and food supply, and education. Effort is made to coordinate its activities closely with those of the Interdepartmental Committee on Scientific and Cultural Cooperation. As a result of the plans now being formulated under the President's Fourth Point it is expected that these programs will be greatly increased as well as those of the United Nations and its specialized agencies and of the inter-American organizations.

U.S. Attitude toward the Inter-American Organization

9. There is convincing evidence that both official and popular opinion in the US strongly favor the continued development and strenthening of the Organization of American States as a successful and valuable regional organization.

10. Certain principles to serve as a guide in the formulation of US policies relating to inter-American affairs can be logically deduced from the background information very briefly summarized in the foregoing paragraphs. These principles are set forth in the section on Recommendations.

RECOMMENDATIONS

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RECOMMENDATIONS

11. US resources are limited and must be utilized primarily to safeguard our own security and welfare. Consequently, US aid to foreign countries should contribute to that end. Priorities and preferences must be established for the extension of such aid. Among the criteria should be the degree of self-help and mutual aid demonstrated by recipient countries. The application of principles such as these is not an unfair exercise of power, and is valid in our relations with the American republics as well as with other foreign countries.

President Roosevelt said in his inaugural address in 1933: "In the field of world policy I would dedicate this nation to the policy of the good neighbor--the neighbor who resolutely respects himself and because he does so, respects the rights of others--the neighbor who respects his obligations and respects the sanctity of his agreements in and with a world of neighbors." This principle still is valid in our approach to inter-American relations, and serves to strengthen the desirable effort to promote and maintain inter-American solidarity.

12. The formulation of US policies relating to inter-American affairs should be undertaken on a comprehensive basis which gives due weight to political, economic, financial, military, social, and cultural factors.

13. US Government cooperation to strengthen Latin American national economics is in our own national interest. Such cooperation should be contingent upon prior action by Latin American governments--action which most of them are reluctant to take--to creat conditions that will attract foreign capital and foreign business enterprises to their countries. It also should depend to an appreciable degree upon the extent of self-help and mutual aid maintained by individual countries. There is no hope that the great majority of Latin American countries can, in the foreseeable future, achieve anything like the US standard of living, yet we must seek to convince Latin American peoples that a system of free enterprise (but not special privilege) offers the best prospect for economic betterment.

14. The Organization of American States functions in conformity with the principles and purposes of the Charter of the United Nations, and all members of the Organization also are members of the United Nations. US influence in the Organization of American States should be directed toward the continued ~~strengthening~~ and development of the latter as a successful regional organization. This US influence should include leadership to bring about general realization of the fact that rights and responsibilities are inseparable and that, while all nations should be equal under the law, countries which must accept heavy responsibilities in international affairs also must be given a powerful enough voice by the international community to enable them to discharge their heavy responsibilities.

15. Insofar

15. Insofar as their role in the United Nations is concerned, the US should continue passively to discourage any tendency toward bloc voting. It should also continue to encourage, through consultations and exchange of information to the greatest feasible extent, awareness of the fact that the disproportionate voting power of the other American republics carries serious responsibilities. In particular, they should be encouraged through these same indirect and unpatronizing means, to recognize that they might well in their own interest give greater weight in elections to membership in the organs and to offices in these organs, to the capacity of a state or of a representative to contribute to the work of the organs of the United Nations than to mechanical principles of rotation or to questions of prestige.

16. Since dictatorial governments always have existed and still exist in some Latin American countries--although democratic principles are the expressed basis for the Organization of the American States--and since non-intervention is an accepted principle of the American republics, the US should continue to use present means and try to find new means to persuade the governing and privileged classes of the Latin American countries to accept their direct responsibility for more rapid progress toward representative, stable and honest government as an important factor affecting hemisphere security and welfare. The withholding of recognition of anti-democratic governments probably is not an effective or appropriate means to deter the establishment and maintenance of such governments. To publicly state US support of democratic institutions and principles is desirable, although there should be no insistence upon "model USA". The Latin American peoples themselves must solve their political problems.

17. As concerns measures to combat Communism, the US should make clear to the Latin American governments and to the public its view that all actions, governmental or private, which ignore the legitimate demands of the people both for basic human rights and for better standards of living will inevitably lead to the unrest and misery that contribute substantially to the spread of Communism. Reactionary vested interests which seek to retain unmerited privileges play directly into the hands of the Communists. Among the effective forces to combat Communism are church and student groups, and non-Communist labor elements. The latter can be made very valuable, and immediate measures by the Latin American governments should include encouragement of positive leadership in labor unions to assure control by non-Communist workers and so to prevent Communist domination by infiltration.

18. US

18. US military cooperation with the Latin American countries should be based primarily on considerations of US security and hemisphere defense; should seek to avoid any additional burden on the economies of Latin American countries, since few of them can afford even their existing military establishments; should avoid policies that would lead to an arms race in the Americas; and should guard against strengthening military dictatorships or the influence of armed forces at the expense of progress toward representative civilian government.

19. The basis for social and cultural cooperation should be one of mutually beneficial exchange and not an effort to convince Latin Americans that our own institutions and culture are the most desirable ones for all peoples.